

July 20, 2022

Sheriff Elmer Tanner Navarro County Sheriff's Office 312 West Second Avenue Corsicana, TX 75110

Re: Health Services Agreement

Dear Sheriff Tanner:

As we look toward beginning a new contract year, SHP would like to thank you and Navarro County for the privilege of working together to provide inmate health services at the Jail.

We have reviewed the contract carefully and determined a 5% annual increase on the base fee and per diem rate will be needed for the 2022-2023 period, to account for higher operating expenses that continue to increase significantly from year to year, far-outpacing the minimal annual increases we've received historically (ex: supplies, core business insurance-not just employee health insurance, but also the professional liability, general liability, etc.—some lines by as much as 50%) and for staffing, to help us maintain high-quality nursing staff. Unfortunately, we continue to face considerable challenges in the area of staffing, even more so since the pandemic. There are many contributing factors, to name only a few, the need for more competitive pay/compensation package in a competitive market, site location, increased patient acuity leading to additional workload, increased costs of keeping the harder to staff night and weekend shifts filled, availability of attractive home-work options for nurses, current climate in the health care field and national nursing shortage.

We must be prepared for the much higher costs associated with operations and keeping the facility well-staffed in the year ahead. I have outlined the new fee description for you below, to become effective in line with the October anniversary.

Contract Period: October 1, 2022, through September 30, 2023	
	\$383,129.64 (\$31,927.47 per month)
Per diem greater than 225 inmates:	\$1.56

If you have any questions or concerns about the pricing, or would like to discuss the contract, don't hesitate to call or email me. I can be reached directly in the office at 803-802-1492. This letter is yours to keep for the contract file, and I will ask you to please return a signed copy at your earliest convenience, or by August 31, 2022. A scan to email will be fine (email <u>carmen.hamilton@southernhealthpartners.com</u>). Except as stated herein, or as may be amended or modified in writing by mutual agreement of the parties, all provisions of the contract will remain in full force and effect.

2030 Hamilton Place Boulevard, Suite 140 Chattanooga, TN 37421 423.553.5635 (phone) 423.553.5645 (fax) July 20, 2022 Page two

We appreciate your continued business and investment in working with SHP to deliver an outstanding program of high-quality patient care services.

Sincerely,

Carmen Hamilton Contracts Manager

/cph

NAVARRO COUNTY, TX BY:

cc: Capt. Charlie York